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LEGISLATIVE ACTS AND OTHER INSTRUMENTS

Subject: COUNCIL DECISION amending Decision (CFSP) 2021/509 establishing a European Peace Facility

COUNCIL DECISION (CFSP) 2023/...

of ...

amending Decision (CFSP) 2021/509 establishing a European Peace Facility

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on European Union, and in particular Articles 28(1), 41(2), 42(4) and 30(1) thereof,

Having regard to the proposal from the High Representative of the Union for Foreign Affairs and Security Policy, with the support of the Commission,

Whereas:

- (1) On 12 December 2022, the Council agreed that the overall financial ceiling of the European Peace Facility (the ‘Facility’) should be increased by EUR 2 000 million (in 2018 prices) across the years between 2024 and 2027. The implementation of this increase is to respect the ceiling for payments agreed for 2023. The Council also acknowledged that the evolution of the international security environment could make further increases of the Facility’s overall financial ceiling necessary until 2027. Any further increase is to be decided by the Council acting unanimously and is to be laid down in an amendment of Council Decision (CFSP) 2021/509¹. The total overall increase of the Facility’s financial ceiling until 2027 is not to exceed EUR 5 500 million (in 2018 prices).
- (2) In its conclusions of 15 December 2022, the European Council reiterated the global dimension of the Facility and welcomed the agreement in the Council on 12 December 2022 to ensure its financial sustainability.

¹ Council Decision (CFSP) 2021/509 of 22 March 2021 establishing a European Peace Facility, and repealing Decision (CFSP) 2015/528, OJ L 102, 24.3.2021, p. 14

- (3) The Strategic Compass for Security and Defence, approved by the Council on 21 March 2022, calls for a re-assessment by 2023 of the scope and definition of common costs to enhance solidarity and stimulate participation in military missions and operations, as well as of exercise-related costs, also in view of proposals regarding the EU Rapid Deployment Capacity. The financing of the eligible costs of the EU Crisis Management Military Exercise 2023 (MILEX 2023), by an amount of up to EUR 5 000 000, is without prejudice to future decisions regarding the financing of common costs.
- (4) The experience gathered since the adoption of Decision (CFSP) 2021/509 makes it necessary to introduce more flexibility in the collection and use of financial contributions from Member States and in their use by the Facility, notably by allowing the receipt and use of advance contributions. Contributions which a Member State chooses to pay in advance do not affect the amount of contributions due by that Member State or by other Member States, or the ability of the Facility to achieve its goals. Such advance contributions cannot be earmarked for any specific purpose.

- (5) In addition, it is necessary to introduce more flexibility by expanding the use of early financing for assistance measures subject to authorisation by the Facility Committee. Contributions to early financing by a Member State will not be used to finance assistance measures from which that Member State abstains in accordance with Article 5(3) of Decision (CFSP) 2021/509.
- (6) Decision (CFSP) 2021/509 should therefore be amended accordingly,

HAS ADOPTED THIS DECISION:

Article 1

Decision (CFSP) 2021/509 is amended as follows:

1. in Article 2, paragraph 1 is replaced by the following:
 - ‘1. The financial ceiling for the implementation of the Facility for the period 2021–2027 shall be EUR 7 979 000 000 in current prices.’;
2. in Article 4, the following point is added:
 - ‘(g) “exercise” means a Union military CSDP exercise or the military component of a civilian CSDP exercise, conducted in accordance with the Exercise Policy of the European Union under the CFSP.’;

3. in Article 17, the following paragraph is inserted:

‘3a. By derogation from paragraph 3 of this Article, each administrator may propose to the Committee to enter in the titles of the budget under his or her responsibility for a given year additional commitment appropriations related to payments financed with advance contributions, as referred to in Article 29(15), to cover unforeseen implementation needs. The additional commitment appropriations entered in the budget shall be deducted from the annual financial ceilings in future years.’;

4. in Article 26, paragraph 8 is replaced by the following:

‘8. Contributions of Member States in any given year shall not exceed their respective share of the payment ceiling referred to in Article 25(2). This limit shall not apply to additional contributions pursuant to paragraph 7 of this Article resulting from abstentions from assistance measures, or to advance contributions as referred to in Article 29(15).’;

5. Article 28 is replaced by the following:

Article 28

Early financing

1. The Facility shall have a minimum deposit system to provide early financing for Union rapid response operations, urgent measures as referred to in Article 58 and, subject to the prior authorisation by the Committee, for individual assistance measures, where sufficient funds are not available and the ordinary procedure for collecting contributions would not allow for those needs to be met in good time. The minimum deposits shall be managed by each administrator respectively.
2. The amount of the minimum deposits shall be decided, and revised as necessary, by the Committee, following proposals by the administrator.
3. For the purpose of early financing of the minimum deposits, the Member States shall either:
 - (a) pay contributions to the Facility in advance; or

- (b) when the Council decides to launch a rapid response operation to which they contribute, approves an urgent measure, or when the Committee authorises its use for individual assistance measures pursuant to paragraph 1, and it is necessary to resort to the minimum deposit, pay their contributions within ten days following dispatch of the call at the level of the reference amount of the rapid response operation or of the authorised cost of the urgent measure or individual assistance measure, unless the Council decides otherwise.’;

6. in Article 29, paragraph 9 is replaced by the following:

- ‘9. Any part used of the advance contributions to the minimum deposits shall be replenished by increasing the contribution of the relevant Member States in the next ordinary call for contributions, unless they have replenished their contribution beforehand. If there is a need to resort to the minimum deposit and the Member States concerned have not replenished their contribution meanwhile, they shall pay the amount needed, if any, within ten days, pursuant to Article 28(3), point (b).’;

7. in Article 29, the following paragraph is added:

‘15. In addition to the payments made following a call for contributions issued in accordance with this Article, a Member State, on a voluntary basis and in coordination with the responsible administrator, may pay advance contributions in a given financial year. In such case, the Member State that provided the advance contribution shall indicate in coordination with the responsible administrator the financial years in respect of which that amount is to be deducted from its future contributions.’;

8. in Article 73, the following paragraph is added:

‘9. The financial reference amount for the common costs of the EU Crisis Management Military Exercise 2023 (MILEX 23) shall be EUR 5 000 000. In addition to the common costs eligible for exercises pursuant to Article 45, the following incremental costs incurred for providing support to the headquarters and forces participating in the exercise shall exceptionally be eligible for that exercise:

- (a) transport, as indicated in Annex IV for the EU Battlegroup, including for its strategic enablers, and within the simulated theatre of operations, temporary barracks and temporary lodging.

- (b) works for deployment/temporary infrastructure: expenditure absolutely needed for the headquarters and forces participating in the exercise to achieve its objective.
- (c) identification marking: specific identification marks, 'European Union' identity cards, badges, medals, flags in Union colours or other Force or headquarter identification marking (excluding clothes, hats or uniforms).
- (d) running costs: incremental costs for services absolutely needed for the direct support to the deployment at air and/or maritime entry points and logistical and assembly areas.';

9. Annex I is replaced by the following:

‘ANNEX I

ANNUAL FINANCIAL CEILINGS

The annual appropriations shall be authorised within the limits of the following amounts, without prejudice to Article 17(3) and (3a) and subject to Article 73(2):

Current prices, in million euros

	2021	2022	2023	2024	2025	2026	2027
Current prices	399	591	980	1 800	1 375	1 400	1 434

’.

Article 2

This Decision shall enter into force on the date of its adoption.

Done at ...,

For the Council

The President
